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## IRS OVERSIGHT BOARD CALLS FOR E-FILING GOAL EXTENSION; IRS HAS MUCH MORE TO ACCOMPLISH

(Washington, DC) The IRS Oversight Board released its Electronic Filing Annual Report to Congress today, recommending that the IRS' e-filing goal be extended to 2011. The goal, part of the IRS Restructuring and Reform Act of 1998, calls for the IRS to have at least 80 percent of all such returns filed electronically by the year 2007. In 2005, almost 52 percent of returns were e-filed.

"The congressionally-mandated e-filing goal has exerted a powerful effect on the tax administration community and on the IRS. The IRS Oversight Board believes that extending the goal will allow that positive effect to continue," said IRS Oversight Board Chairman Raymond T. Wagner, Jr.

The Oversight Board based this recommendation on its independent analysis of e-filing trends, which is discussed in the report. It shows that by 2011, nearly 80 percent of individuals will file their tax returns electronically, provided that today's trends continue.

While the Board praises the IRS for promoting both e-filing and a broad array of other electronic transactions, it says that there is still more to accomplish if the IRS is to be perceived by taxpayers as having services on a par with financial institutions, which today provide customers with daily updates of accounts and immediate access to account records.

In its report, the Board also discusses the recommendations contained in the Electronic Tax Administration Advisory Committee (ETAAC)'s annual report, which was released last year. The Board notes that while it agrees with much of the ETAAC "vision," in which "electronic tax administration acts as the primary mechanism for transforming the IRS and how it serves taxpayers, the vision must take into account taxpayers who do not have access to computers and are part of the so-called "digital-divide.".

The IRS Oversight Board Electronic Filing Annual Report to Congress is available on the Board's web site at <a href="https://www.irsoversightboard.treas.gov">www.irsoversightboard.treas.gov</a>.

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